Chain Store Age EXECUTIVE

with Shopping Center Age

The newsmagazine for retail management

MARCH 1992

28th ANNUAL SPECS CONFERENCE

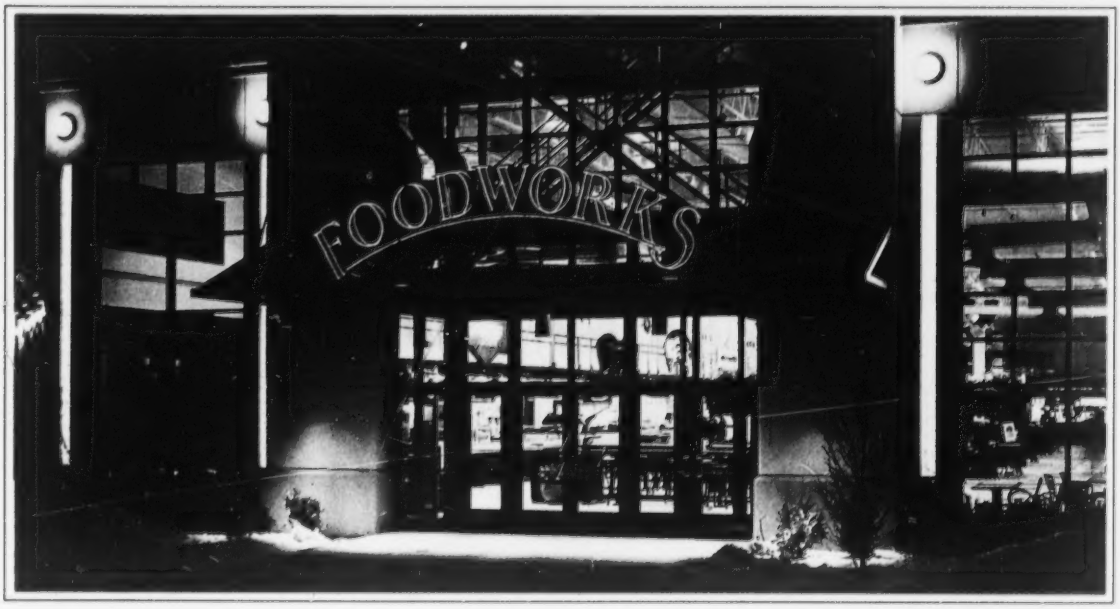
erd Drug, Tavernier, Fla.

NEW REALISM MARKS CONTEMPORARY DESIGNS

RETAIL STORES OF THE YEAR

SECOND CLASS
$79.00 A YEAR (USA)

CONTENTS



DESIGNS THAT STAND THE TEST OF TIME

The winners of *Chain Store Age Executive's* tenth annual Retail Stores of the Year design competition are designed to attract customers without overwhelming them. Clean designs and crisp lines lead the way. 57

RETAIL TECHNOLOGY

EDI: Some retailers are demanding better tracking and security before they accept inter-network transmissions. 33

EDI and Quick Response are the lure retailers are using to convince high-end cosmetics vendors that the advantages of barcodes far exceed the disadvantages. 34

Kiosks: Lechmere is testing an interactive self-order and payment system dubbed "Lechmere Express." 35

Point of Sale: Electrolux finds touch-screen POS terminals easier to use than traditional keypad-based POS terminals. 36

Standards: The depth of retailer support for an industry standard data model is unclear. 38

RT Forum: Third party system support companies are helping retailers through the maze of open system environments. 48

New products 50
Technically Speaking 52
On Line 54

SHOPPING CENTER AGE

Market Study: Texas is well on the path to economic recovery. But that doesn't mean that developers can, or even should, build new space. . 95

Strip Centers: The recession hasn't hit power, community or neighborhood strips as hard as regional malls. 101

Shopping Center Age News . . . 105
Development Activity 107
On the Level 109
On Center 110

DEPARTMENTS

Signage: Wetzel's Super Markets makes a big impact with an unusual 3-D billboard sign. 114

Lighting: Reflectors allow C-Town grocery stores to maintain light levels while cutting energy consumption. 119

Security: Food Lion targets high-shrink categories with electronic article surveillance (EAS) system. . 128

Locked exit doors are among the alleged violations cited by the Occupational Safety and Health Administration (OSHA) in proposed fines against McCrory Stores. 128

The typical shoplifter is female, 28, and works Saturdays. 129

Executive Forum: Retailers are working for solutions to repetitive-motion related disorders. 132

Finance: Retailers must examine at least seven critical areas to design an effective logistics strategy. 138

January sales posted the best monthly year-to-year results since March 1985. But are they a sign of better days to come? 140

From the Editor's Desk 16
Updates 19
Perspectives 29
Advertising Index 142

RETAILERS REPORT SALES GAINS FOR JANUARY

BUT ANALYSTS SAY RESULTS MAY BE A GLITCH

Sales of the nation's leading chain stores exploded from their persistent doldrums in January, posting their best year-over-year performance since March 1985.

Based on the Mitsubishi Bank retail chain store sales index, January sales rose 9% over year-ago comparable store levels, compared to a 2.6% pace for all of 1991. The index is based on sales for 41 retailers.

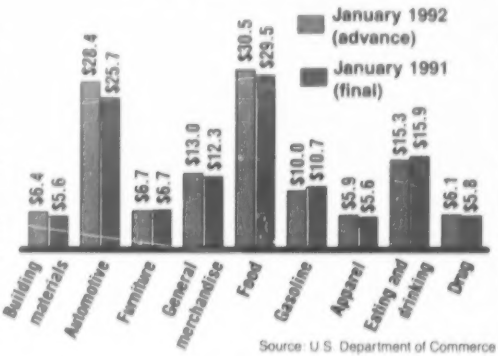
Analysts warn, however, that the magnitude of the strength is somewhat cosmetic due to the easy comparison against January 1991, when the war in the Persian Gulf began.

In addition, as Charles Siegel, chairman of 50-Off, noted, "January sales traditionally contribute only a small portion of a company's annual sales. It would be inappropriate to place a great significance" on the month's results.

Still, the results have raised some optimism, since historically, a large surge in chain store sales often is a signal of a coming economic rebound.

JANUARY SALES

(Seasonally adjusted, figures in billions)



Source: U.S. Department of Commerce

CHAIN PERFORMANCE

Company	January '92 sales (000)	% change	% change comp. stores	YTD sales (000)	% change YTD	% change YTD comp. stores
Wal-Mart	$3,310,000	+33.0	+13.0	$43,889,000	+35.0	+10.0
Kmart	2,711,711	+10.3	+ 6.2	34,579,098	+ 7.8	+ 3.7
Sears	2,793,700	+ 8.6	+ 7.7	33,709,136	− 0.7	− 1.0
Penney	1,159,000	+ 6.5	+ 6.0	16,201,000	− 1.0	− 1.8
Dayton Hudson	1,140,000	+15.0	+ 8.2	15,860,000	+ 9.4	+ 2.2
May	663,400	+13.0	+ 8.7	10,402,000	+ 5.5	− 0.3
Melville[1]	692,196	+ 8.1	+ 6.1	692,196	+ 8.1	+ 6.1
Walgreen[5]	595,770	+11.5	+ 8.1	595,770	+11.5	+ 8.1
Woolworth	419,000	+ 9.9	+ 6.0	5,695,000	+ 3.6	− 1.1
The Limited	359,400	+15.0	+ 9.0	6,149,000	+17.0	+ 3.0
Mercantile	155,000	+ 4.6	+ 3.7	2,440,000	+ 3.0	+ 1.3
Circuit City[2]	227,300	+28.0	+13.0	N/R	N/R	N/R
The Gap	183,000	+31.0	+14.0	2,519,000	+30.0	+13.0
Rose's	70,766	+ 4.9	+12.5	1,423,279	−10.0	+ 0.3
Neiman-Marcus Group[3]	108,400	+ 0.7	− 3.6	975,500	+ 1.1	− 3.0
Venture Stores	88,100	+12.6	+ 7.9	1,522,400	+ 7.2	+ 3.4
Edison Bros.	107,800	+12.2	N/R	1,390,000	+10.5	N/R
Jamesway	43,800	− 1.0	+ 6.0	855,100	− 3.0	+ 1.0
Charming Shoppes	71,300	+23.0	+12.0	1,020,100	+15.0	+ 6.0
Ross	59,000	+11.0	+ 4.0	930,000	+16.0	+ 2.0
Value City	27,400	+14.4	+ 9.2	363,300	+16.9	+11.1
Dollar General	56,700	+31.7	+27.8	750,600	+15.8	+11.1
Best Buy[4]	74,000	+64.0	+26.0	850,000	+37.0	+12.0
Gottschalks	16,100	+14.3	+11.0	314,600	+ 9.4	+ 3.5
Claire's	12,833	− 5.0	−11.0	253,914	− 1.0	−11.0

[1]fiscal year ends Dec. 31. [2]fiscal year ends Feb. 28. [3]fiscal year ends July 31. [4]fiscal year ends Mar. 31. [5]fiscal year ends Aug. 31. N/R = not reported. N/C = no change

Source: Company reports

Chain Store Age Executive (USPS 054-410; ISSN 0193-1199), is published monthly by Lebhar-Friedman Inc., 425 Park Ave., New York, NY 10022, on a controlled basis to qualified retailers, real estate and shopping center developers and operators, architects and design firms, and at $79 a year; outside U.S.A.: Canada $79 (U.S. $) a year; elsewhere $125 a year, air-mail only. Single copy price: $5. Second class postage paid at New York, NY, and additional mailing offices. Vol. 68, No. 3 Copyright © 1992 by Lebhar-Friedman Inc. All rights reserved.
POSTMASTER: Please send address changes to Chain Store Age Executive, Subscription Department, P.O. Box 31185, Tampa, Fla. 33631-3185.